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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER

RUHL, DENNIS WILLIAM

ART UNIT PAPER NUMBER

3629

DATE MAILED: 05/09/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.		Applicant(s)	
	09/834,478		CHIEN ET AL.	
	Examiner		Art Unit	
	Dennis Ruhl		3629	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 19 January 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-41 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-41 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 1/19/06 has been entered.

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claim 3,4,7,8,37, are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

For claims 3,7, it is not clear as to what account the credit is being applied to. Claim 1 states that the credit is applied to "a financial account", but claim 3 states that the credit is applied to one of three different accounts. To what account is the credit being applied, the financial account of claim 1 or one of the 3 accounts in claim 3? This is not clear.

For claim 4,8, it is not clear as to what account the credit is being applied to. Claim 1 states that the credit is applied to "a financial account", but claim 4 states that the credit is applied to a gift product or a secondary transaction number. Where is the credit being applied, the financial account of claim 1 or a gift product or a number? This is not clear. It is also not clear as to what is meant by reciting that the credit is applied

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to a transaction number. How can a number receive a credit? An account can receive a credit but not a number. What is the scope of the language "secondary transaction number"? What does this mean?

For claim 37, it is not clear as to how many "secondary transaction numbers" are being claimed. The preamble recites a secondary transaction number. Line 6 recites "using a secondary transaction number". Line 9 recites "generating a secondary transaction number", and line 10 refers to "said secondary transaction number". Are there 3 different secondary transaction numbers being claimed or are all of them really referring to one secondary transaction number? This is not clear. Also, the language reciting "generating a secondary transaction number with a credit limit of up to said currency credit" is considered indefinite. How can a number have a credit limit? An account of some kind may have a credit limit, but what is meant by reciting that a number has a credit limit? This is not clear. Is the secondary transaction number really another account? Also considered indefinite is the recitation that the secondary transaction number "is configured in the same format as existing charge cards". What does this mean? What is the format of "existing charge cards" and are all charge cards formatted in the same manner so that the scope of this language is clearly known and defined? The examiner feels that one wishing to avoid infringement of this claim would not understand what this portion of the claim is defining, which renders the claim indefinite.

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4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

5. Claim 19,20,24,25,27-31,33,34,37-41, are rejected under 35 U.S.C. 102(b) as being anticipated by Carrithers et al. (5689100).

For claim 24,27-31,33,37 (as best understood by the examiner), Carrithers discloses registering a participant in a loyalty program as claimed. This is the debit card account of Carrithers that the customer must enroll in or apply for. The providing of authenticating information is done when the debit card is being used (card has been swiped for a transaction). The selecting to redeem loyalty points is the use of the debit card itself, which means points will be used if any are available. The points are retrieved from an award account, converted to a currency as claimed, and the number of awarded points is deducted from the points balance in the award account. As best understood, the claimed secondary transaction number is considered to be a transaction number like a receipt number, invoice number, etc. that identifies the currency credit transaction from the award account to the debit card account. The currency value (loyalty points) is credited to a financial account because the debit card account itself is credited with the currency value. The debit card account is a financial account that is separate and distinct from the loyalty points award account. See column 4, lines 20-30. The language “to offset an executed charge” is nothing more than the intended use of the “posted to a financial account step” and is satisfied by Carrithers.

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The crediting of the account by loyalty points converted to a currency is more or less an offsetting of an executed charge to the debit account. This satisfies what is claimed.

For claims 25,34, the examiner considers a debit card transaction to be "on-line". The transaction is processed between computers connected to another, which is considered to be an "on-line" transaction.

For claims 38-41, the user interface is considered to be the device that the debit card of Carrithers is processed on (i.e. card reader). The specifics of the shopping network are given no patentable weight because it is not part of the claimed invention. The shopping network is the intended use of the user interface in the sense that the interface allows one to communicate with a shopping network. That is the extent to which the shopping network is claimed and given patentable weight. The debit card of Carrithers is fully capable of being used in a shopping network as claimed which satisfies what is claimed. The loyalty program system is 124; the transaction account system is 122. The conversion system is the part of the system that converts points to currency. The middleware is also disclosed by Carrithers because the system can invoke the conversion system, and send and receive transaction details as claimed. The system of Carrithers does exactly what is claimed so it clearly has all of the systems claimed (which can be just individual portions of computer code). The financial capture system, accounts receivable system, charge authorization system are all inherently in Carrithers because Carrithers discloses the performing of all of the recited functions. The conversion ratios for converting the loyalty points must inherently be stored in a database as claimed. The limitation of "wherein said currency value is

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exchanged to offset an executed charge" is directed to the intended use of the system and defines no further structure to the system. The article claims will not be considered to define over the prior art by reciting limitations directed to the intended use of the system.

For claims 19,20, the account manager user interface system is 124. The loyalty system middleware that interfaces with a database system to access information concerning loyalty points is considered to be the software of the system 124 that does what is claimed. Carrithers discloses the same function so the middleware is necessarily present in Carrithers. The conversion processor is found in Carrithers because Carrithers discloses the performing of the same conversion of loyalty points to currency. The processor is fully capable of applying the currency value as a credit to a financial account as claimed. The processor has this ability. Applicant should take notice that because these are apparatus claims the actual recited steps are not given patentable weight, just the ability of the device to do what is claimed. Carrithers discloses all of the structure claimed, with the disclosed structure either doing the functions claimed or being fully capable of performing the recited functions. The computerized interface of claim 20 is considered to be the modem hardware that allows data communication to and from the account manager interface system. The modem hardware is necessarily between the system and a third party (a merchant).

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

8. Claims 1-18,21-23,26,32,35,36, are rejected under 35 U.S.C. 103(a) as being unpatentable over Carrithers et al. (5689100).

For claims 1,2,5,6,9, Carrithers discloses a method of converting earned loyalty points to currency (loyalty points from an award account) and crediting the currency amount to the debit card account of the user (a financial account). Column 4, lines 20-30 disclose that there is an award account that stores the number of loyalty points the user has earned. The step of communicating with the participant is done when the user is conducting a transaction with the debit card. The user is given an indication if the transaction is approved or not. Carrithers discloses that a computer system looks up how many loyalty points the user has in the award account and converts those points to

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a currency value to be credited to the user's debit account, which is a financial account.

See column 7, lines 4-9 and column 7, lines 22-23. Carrithers does not disclose that

the loyalty points in the award account are held in one database system and the

currency credit is given to a 2nd account (the debit card account) that is stored in a

second database system. Carrithers discloses two accounts (the loyalty points award

account and the debit account) but does not disclose that each account is stored in a

different database system. It would have been obvious to one of ordinary skill in the art

at the time the invention was made to store the loyalty points in a first database

account, with the converted currency value being credited to a 2nd account (the debit

card account) stored in a second database system because the use of more than one

database account is nothing more than mere duplication of parts, namely the database.

When the credit is applied to the debit card account it is offsetting the purchase charge

as claimed. Carrithers discloses the storing of loyalty points, retrieving that information,

and converting points to currency as claimed. Having the points stored in a separate

database from the debit account itself is considered obvious to one of ordinary skill in

the art because this is just the use of two database systems as opposed to one

database system.

For claims 3,7, as best understood by the examiner, a debit card is a "stored value card".

For claims 4,8,32, it is well known that people buy gifts for themselves and for

others (birthday, Christmas, wedding, etc.) so when a user buys a product using the

debit card, that product is considered a gift. The product can be a gift for someone else

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or themselves. Also, the term "gift" is just the intended use of the product and in the opinion of the examiner does not serve to further distinguish any product from other products. All products are capable of being considered gifts.

For claims 10,26,35, not disclosed specifically is a wireless network. It is old and well known to use a wireless network such as a satellite dish to transmit data. It would have been obvious to one of ordinary skill in the art at the time the invention was made to use the invention of Carrithers in a wireless network where a satellite dish is used to transmit data so that the incentive program of Carrithers can be used in the wireless network. The type of network the method of Carrithers is used in can be both wired and wireless and the invention will perform the same regardless of which is chosen.

For claim 11, because the user has a debit card they have already been registered in the loyalty program and authenticated as claimed. The loyalty account has been addressed for claim 5 previously.

For claim 12, the third party is considered to be the debit card company.

For claim 13, much prior to the filing date of the instant application it was known to do shopping on the Internet and the examiner takes official notice of this fact. This is a computerized shopping network. When the user decides to use their debit card to process the transaction, this is a request to use any loyalty points to facilitate the transaction. It would have been obvious to one of ordinary skill in the art at the time the invention was made to use the debit card system of Carrithers when shopping a web site of an Internet merchant because the use of debit cards is not limited to "brick and mortar" stores but is something that is known to be used on the Internet.

For claim 14, during the course of a transaction it is considered inherent that the user will be given information such as the price. This information is sent to the debit card company and will include the account number.

For claims 15,16, Carrithers discloses that a computer will determine if there is sufficient balance (with or without any loyalty points) to cover a given transaction. If the amount is enough to cover the transaction, the transaction will be approved, and if the amount is not enough, the transaction will be denied.

For claims 17,18, charging the debit card for the transaction is inherent in a debit card itself as well as the generation of a billing statement.

For claim 21, Carrithers does not disclose the shopping network as claimed. Much prior to the filing date of the instant application it was very well known to do shopping on the Internet by browsing an online web site for merchandise. One of ordinary skill in the art would appreciate and understand this fact and the examiner takes official notice of this fact. It would have been obvious to one of ordinary skill in the art at the time the invention was made to use the debit card system of Carrithers when shopping a web site of an Internet merchant because the use of debit cards is not limited to "brick and mortar" stores but is something that is known to be used on the Internet. This satisfies what is claimed as far as a computerized shopping network goes. The Internet site offers products for sale, provides the customer with an option to use their loyalty points by allowing the use of debit cards (the card of Carrithers), processes the transaction and will necessarily transmit transaction details as claimed.

For claim 22, the middleware is fully capable of doing what is claimed. This is because Carrithers discloses the conversion of loyalty points to currency, the posting of a charge and the crediting of an account.

For claims 36, Carrithers does not disclose the browsing of an online merchant's web site for merchandise and selecting the product to purchase by selecting an icon. Much prior to the filing date of the instant application it was very well known to do shopping on the Internet by browsing an online web site for merchandise. One of ordinary skill in the art would appreciate and understand this fact and the examiner takes official notice of this fact. The selecting of the product to purchase by selecting an appropriate icon is the old and well-known manner of choosing what product you desire to purchase by clicking on the product itself or an icon representing that product. This is also well known to one of ordinary skill in the art. Official notice is also taken of this fact. The designating of the account to be associated with the loyalty program is the debit card account itself. It would have been obvious to one of ordinary skill in the art at the time the invention was made to use the debit card system of Carrithers when shopping a web site of an Internet merchant because the use of debit cards is not limited to "brick and mortar" stores but is something that is known to be used on the Internet.

For claim 23, Carrithers discloses the retrieving of loyalty points information from a loyalty account, calculating the number of points necessary to complete the transaction along with confirmation for sufficient number of points (see column 8, lines 35-42 as an example), converting the points to currency and posting the currency credit as claimed. Not disclosed is that there is an online catalog presented for the customer

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to select a product from. Carrithers does not disclose the browsing of an online merchant's web site for merchandise and selecting the product to purchase. Much prior to the filing date of the instant application it was very well known to do shopping on the Internet by browsing an online web site for merchandise. One of ordinary skill in the art would appreciate and understand this fact and the examiner takes official notice of this fact. The selecting of the product to purchase is done by the old and well-known manner clicking on the product itself or an icon representing that product. This is also well known to one of ordinary skill in the art. Official notice is also taken of this fact. It would have been obvious to one of ordinary skill in the art at the time the invention was made to use the debit card system of Carrithers when shopping a web site of an Internet merchant because the use of debit cards is not limited to "brick and mortar" stores but is something that is known to be used on the Internet.

9. Applicant's arguments filed 1/19/06 have been fully considered but they are not persuasive.

With respect to the 102(b) traversal, it is found to be non-persuasive. This is because all of the comments about how Carrithers operates is not seen as directly relating to any of the claimed subject matter. The examiner does not see how the prerequisites of Carrithers relate to any claimed subject matter that is not found in Carrithers. With respect to Carrithers having only one account, the examiner disagrees. This is because there is the debit card account itself (the account where money is deposited into) and there is the loyalty award account that holds the earned loyalty

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points of the user. A common account number may identify both accounts but there must be two account, namely the debit card account itself that contains money and the loyalty awards account that hold the number of loyalty points a customer has earned. Applicant has stated that each of the elements of claims 33 and 38 are not found in Carrithers but there is not explanation for each and every limitation in the claims as to why Carrithers does not disclose what is claimed.

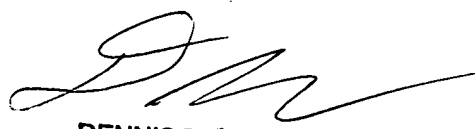
With respect to the traversal of the 103 rejection, it is found as non-persuasive. With respect to Carrithers having only one account, the examiner disagrees. This is because there is the debit card account itself (the account where money is deposited into) and there is the loyalty award account that holds the earned loyalty points of the user. A common account number may identify both accounts but there must be two account, namely the debit card account itself that contains money and the loyalty awards account that hold the number of loyalty points a customer has earned. The examiner feels that the use of two databases is obvious to one of ordinary skill in the art as set forth in the 103 rejection.

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dennis Ruhl whose telephone number is 571-272-6808. The examiner can normally be reached on Monday through Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on 571-272-6812. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



DENNIS RUHL
PRIMARY EXAMINER